

CITY OF MUSKEGON

CITY COMMISSION MEETING

JULY 28, 2009

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, July 28, 2009.

Mayor Warmington opened the meeting with a prayer from Pastor Penny Johnson from the Oak-Crest Church of God after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Warmington, Vice Mayor Stephen Gawron, Commissioners Clara Shepherd, Lawrence Spataro, Sue Wierengo, Steve Wisneski, and Chris Carter, City Manager Bryon Mazade, City Attorney John Schrier, and City Clerk Ann Marie Becker.

2009-64 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes for the July 13th Commission Worksession, and the July 14th Regular Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Certification of MERS Representatives. FINANCE

SUMMARY OF REQUEST: The MERS plan document provides that "the governing body for each municipality shall certify the names of two delegates to the Annual Meeting. One delegate shall be a member who is an officer of the municipality appointed by the governing body of the municipality. The other delegate shall be a member who is not an officer of the municipality, elected by the member officer/employees of the municipality."

Each City bargaining unit selects a member to attend the MERS annual meeting. The bargaining units have agreed to a rotating system (based on date of joining MERS) to select one official employee representative. This year the employee representative will be Teresa Ackerberg from the Clerical Unit.

FINANCIAL IMPACT: Registration for the MERS conference in Grand Rapids is \$185 per person. Additionally, mileage costs will be incurred.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Certification of Tim Paul and Teresa Ackerberg to be the City's officer and employee delegates at the MERS annual meeting in Grand Rapids September 15 – 17.

C. Liquor License Request for The Cheese Lady, LLC, 808 Terrace Street.
CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from The Cheese Lady, LLC, to transfer ownership of the 2009 SDM License with Direct Connection-1 from Kathleen Fagan Riegler, located at 808 Terrace Street. This request is for purposes of adding the LLC to the license, the ownership remains the same.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: All departments are recommending approval.

D. 2009-2010 Michigan Municipal League Membership Dues. CITY CLERK

SUMMARY OF REQUEST: Approval to pay the 2009-2010 MML dues in the amount of \$9,855.

FINANCIAL IMPACT:

MML Dues	\$8,078
Environmental Assessment	\$ 969
Legal Defense Fund	<u>\$ 808</u>
Total	\$9,855

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

Motion by Vice Mayor Gawron, second by Commissioner Spataro to approve the Consent Agenda as read minus items E and F.

ROLL VOTE: Ayes: Spataro, Warmington, Wierengo, Wisneski, Carter, Gawron, and Shepherd

Nays: None

MOTION PASSES

2009-65 ITEMS REMOVED FROM THE CONSENT AGENDA:

E. Upgrade to Front Entrance of McGraft Park Building. CITY CLERK

SUMMARY OF REQUEST: The City has been awarded a grant in the amount of \$15,750 to replace the doors at McGraft Park so they may be ADA compliant.

The lowest quote was received from Tridonn Construction in the amount of \$15,750 to upgrade the front entrance of the building. The grant requires that the awardee pay Davis-Bacon wage rate. This quote does not include Davis-

Bacon wage rate. Staff is asking authorization to negotiate the Davis-Bacon wage rate within the bid.

Automatic Equipment Sales & Service, Inc. was the lowest quote in the amount of \$3,434 to supply and install automatic door openers.

FINANCIAL IMPACT: \$3,434 match.

BUDGET ACTION REQUIRED: The funds will come out of the ADA budget.

STAFF RECOMMENDATION: It is requested that staff be authorized to negotiate to incorporate Davis-Bacon wage rate within the bid and execute the contracts with Tridonn and Automatic Equipment Sales & Services, Inc. if it is found to be acceptable. It is also recommended that the Mayor be authorized to execute the grant.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the upgrade to the front entrance of McGraft Park building and accept the grant money.

ROLL VOTE: Ayes: Warmington, Wierengo, Wisneski, Carter, Gawron, Shepherd, and Spataro

Nays: None

MOITON PASSES

F. Special Event – Multiple Liquor License Request for 2009 AVP Crocs Tour, Muskegon Open. LEISURE SERVICES

SUMMARY OF REQUEST: The AVP Pro Beach Volleyball Tour, Inc., 6100 Center Dr., Los Angeles, CA is requesting a temporary liquor license to set up an adult beverage tent at their professional volleyball tournament to be held at Pere Marquette beach from August 20 through August 23, 2009. The Muskegon Yacht Club was previously approved for a temporary alcohol license on August 21 through August 23, 2009.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: The request was recommended for approval by the Leisure Services Board at their July 20, 2009, meeting.

Motion by Commissioner Spataro, second by Commissioner Carter to approve the special event multiple liquor license request for the 2009 AVP Crocs Tour, Muskegon Open.

ROLL VOTE: Ayes: Wierengo, Wisneski, Carter, Gawron, Shepherd, and Spataro

Nays: Warmington

MOTION PASSES

2009-66 PUBLIC HEARINGS:

A. Establishment of a Commercial Rehabilitation District – 971 Washington Avenue. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 210 of 2005, as amended, Fatty Lumpkins, 971 Washington Avenue, has requested the establishment of a Commercial Rehabilitation District. The creation of the district will allow the building owner to apply for a Commercial Rehabilitation Certificate. The Commercial Rehabilitation Tax freezes the taxable value of the building and exempts the new investment from local taxes. The school operating tax and the State Education Tax (SET) are still levied on the new investment. Land and personal property cannot be abated under this act.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Establishment of the Commercial Rehabilitation District at 971 Washington Avenue.

The Public Hearing opened to hear and consider any comments from the public. Applicant - Brett Gilbert, 2255 Castle, Muskegon, explained his request.

Motion by Commissioner Carter, second by Commissioner Spataro to close the Public Hearing and approve the establishment of a Commercial Rehabilitation District at 971 Washington Avenue.

ROLL VOTE: Ayes: Wisneski, Carter, Gawron, Shepherd, Spataro, Warmington, and Wierengo

Nays: None

MOTION PASSES

B. Request for a Commercial Rehabilitation Certificate for Fatty Lumpkins. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 210 of 2005, as amended, Fatty Lumpkins, 971 Washington Avenue, has requested the issuance of a Commercial Rehabilitation Certificate. The Sandwich Shop plans on investing \$5,000 in building upgrades and creating six new jobs. This qualifies them for seven year abatement according to the City of Muskegon Commercial Rehabilitation Policy.

FINANCIAL IMPACT: The real property taxes would be frozen at their pre-rehabilitated rate for the duration of the certificate.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the Commercial Rehabilitation Certificate for a duration of seven years.

The Public Hearing opened to hear and consider any comments from the public. No public comments were made.

Motion by Commissioner Carter, second by Commissioner Wierengo to close the Public Hearing and approve the request for a Commercial Rehabilitation Certificate for Fatty Lumpkins.

ROLL VOTE: Ayes: Carter, Gawron, Shepherd, Spataro, Warmington, Wierengo, and Wisneski

Nays: None

MOTION PASSES

C. Request for an Industrial Facilities Exemption Certificate for Johnson Technology. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, Johnson Technology, 2034 Latimer Drive, has requested the issuance of an Industrial Facilities Tax Exemption Certificate. The company plans on investing \$2,900,000 in real property improvements, which qualifies them for a 12 year abatement.

FINANCIAL IMPACT: The City will capture certain additional property taxes generated by the expansion.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the resolution granting an Industrial Facilities Exemption Certificate for a term of 12 years on real property.

The Public Hearing opened to hear and consider any comments from the public. Tom Jassick, 7708 Heights Ravenna Road, Ravenna, Director of Operations at Johnson Technology answered questions.

Motion by Commissioner Wisneski, second by Commissioner Shepherd to close the Public Hearing and approve the resolution granting an Industrial Facilities Exemption Certificate for a term of 12 years on real property for Johnson Technology.

ROLL VOTE: Ayes: Gawron, Shepherd, Spataro, Warmington, Wierengo, Wisneski, and Carter

Nays: None

MOTION PASSES

D. Request for Exemption of New Personal Property (PA 328) for Johnson Technology. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 328 of 1998, as amended, Johnson Technology, 2034 Latimer Drive has requested an exemption of new personal property. The company plans on investing \$11,200,000 in personal property improvements and is asking Commission to determine the length of the abatement.

FINANCIAL IMPACT: The City will forgo 100% of the personal property taxes for

the length of the abatement.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the exemption of new personal property for a duration of 12 years.

The Public Hearing opened to hear and consider any comments from the public. No public comments were made.

Motion by Commissioner Wisneski, second by Commissioner Carter to close the Public Hearing and approve the exemption of new personal property for a duration of 12 years for Johnson Technology.

ROLL VOTE: Ayes: Shepherd, Spataro, Warmington, Wierengo, Wisneski, Carter, and Gawron

Nays: None

MOTION PASSES

2009-67 NEW BUSINESS:

A. Police Patrol Retirement Incentive. CITY MANAGER

SUMMARY OF REQUEST: To provide a retirement incentive limited to one person (Ken Wansten) in the Police Patrol Unit. This incentive could encourage one person to retire and, thereby, limit the number of layoffs otherwise necessary due to budget constraints. It would also save the City money otherwise spent on unemployment compensation.

FINANCIAL IMPACT: \$5,000.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the retirement incentive, the associated document, and authorize the City Manager to sign it.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the Police Patrol retirement incentive as described.

ROLL VOTE: Ayes: Spataro, Warmington, Wierengo, Wisneski, Carter, Gawron, and Shepherd

Nays: None

MOTION PASSES

B. Prosecution Services. CITY MANAGER

SUMMARY OF REQUEST: To consider an agreement with the County of Muskegon and the Muskegon County Prosecutor to provide prosecution services to the City.

FINANCIAL IMPACT: \$86,377 for 8/01/09 through 7/31/10.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the agreement, authorize the Mayor to execute it, and authorize staff to make necessary arrangements with the City Attorney to discontinue these services.

Motion by Commissioner Spataro, second by Commissioner Wierengo to approve the contract for prosecution services with Muskegon County Prosecutors Office.

ROLL VOTE: Ayes: Warmington, Wierengo, Wisneski, Gawron, Shepherd, and Spataro

Nays: Carter

MOTION PASSES

C. Concurrence with the Housing Board of Appeals Notice and Order to Demolish 529 Mulder Street. PUBLIC SAFETY

SUMMARY OF REQUEST: This is to request that the City Commission concur with the findings of the Housing Board of Appeals that the structure located at 529 Mulder Street is unsafe, substandard, a public nuisance and that it be demolished within 30 days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

FINANCIAL IMPACT: CDBG Funds.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To concur with the Housing Board of Appeals decision to demolish.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to concur with the Housing Board of Appeals notice and order to demolish 529 Mulder Street.

ROLL VOTE: Ayes: Wierengo, Wisneski, Carter, Gawron, Shepherd, Spataro, and Warmington

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: Various comments were heard from the public.

ADJOURNMENT: The City Commission Meeting adjourned at 6:35 p.m.

Respectfully submitted,

Ann Marie Becker, MMC
City Clerk